

**AZ SPO POLICY  
Number 15  
ENERGY STAR**

***Statement:***

The Arizona State Procurement Office (AzSPO) embraces every opportunity to purchase products of the highest caliber which foster cost savings and substantially improve the environment.

***Authority:***

A.R.S. 34-451, Energy Conservation Standards for State Buildings, amended April 2003.

***Definitions:***

ENERGY STAR - a governmental-backed program helping businesses and individuals protect the environment through superior energy efficiency. The federal government has partnered with industry to identify products that achieve high energy savings. For example, in 2000, American consumers saved more than \$425 million in energy costs by using ENERGY STAR qualified office equipment. These products are identified by an ENERGY STAR label, and are equal to or better than standard products.

FEMP - Federal Energy Management Program is managed by the U.S. Department of Energy and advocates the procurement of quality, energy efficient products. Like ENERGY STAR, FEMP recommends products that use 25 to 50 percent less energy than their traditional counterparts, reduce fossil fuel consumption, and produce fewer greenhouse gas emissions. FEMP certified products meet the same standards as ENERGY STAR labeled products.

For the purpose of this policy, ENERGY STAR is the term used to signify those energy efficient products that are ENERGY STAR labeled or FEMP recommended.

***Discussion:***

In the spring of 2003, House Bill (HB) 2324 amended A.R.S. 34-451, Energy Conservation Standards for State Buildings adding three additional provisions. First, reduction of energy use in public buildings by certain state agencies and political subdivisions; second the monitoring and reporting by the State Energy Office of such progress; and, third, procurement of ENERGY STAR energy efficient products.

The revised law reads in part that “all state agencies shall procure energy efficient products that are certified by the United States Department of Energy or the United States Environmental Protection Agency as Energy Star or that are certified under the Federal Energy Management Program in all categories that are available unless the products are shown not to be cost-effective on a life cycle cost basis.” ENERGY STAR products meet all the standards of the Federal Energy Management Program.

There are a limited number of categories of ENERGY STAR products that are currently covered. As individual standards are developed, other products will be added. Current categories include commercial/residential HVAC equipment, commercial and residential appliances, construction products, and industrial lighting, office, water and low standby power technologies. These products can be viewed on one of two web sites:

[www.eere.energy.gov/femp/procurement/product](http://www.eere.energy.gov/femp/procurement/product)  
[www.energystar.gov/index.cfm?](http://www.energystar.gov/index.cfm?)

***Policy:*** To further such procurements, AzSPO enacts the following policies:

1. Procurements of \$35,000.00 or less. All applicable procurements under \$35,000.00 shall be of ENERGY STAR products as appropriate for the commodity being purchased.
2. Procurements over \$35,000.00. To meet the intent of the revised statute agencies are given two options. Agencies may either procure ENERGY STAR products or they may purchase non-ENERGY STAR products if proven to be more cost effective as evidenced by completion of a life cycle cost analysis. Both of the above web sites provide savings calculators or refer to other sites for determining life cycle cost savings.
3. Current Contracts: Agencies shall review current contracts for compliance with ENERGY STAR requirements. If current contracts are identified to have both ENERGY STAR and non-ENERGY STAR products then only those ENERGY STAR products shall be purchased unless non-ENERGY STAR products are determined to be more cost effective. Eligible commodity contracts that do not include ENERGY STAR products shall not be extended.
4. ENERGY STAR products shall be used to assist state agencies to comply with reducing public building energy usage. See §34-451C.
5. All agencies shall implement Standard Operating Procedures that address the purchasing of ENERGY STAR products. Agencies may adopt the AzSPO Standard Operating Procedure for ENERGY STAR procurement, or develop

procedures that are substantially equivalent and which meet all requirements for ENERGY STAR procurement.

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John O. Adler  
State Procurement Administrator

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Date